

DON GTCC APC Certification Course  
Module 3 – APC Controls

# Module 3

Department of the Navy  
Government Travel Charge Card Training

Agency Program Coordinator  
Certification Course

APC Controls



DON Consolidated Card Program Management Division  
(DON CCPMD)  
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In this third and final module we will cover APC controls for Travel Card program execution and management.

## Learning Objectives

- IBA Credit Thresholds & Approval
- Mission Critical Status
- Delinquency
- Roads to Delinquency
- Effects of Delinquency
- Reduced Payment Plan
- Salary Offset
- Reinstatement Policy
- Consequences of Account Charge Off
- Resources

This includes

- IBA Credit Thresholds & Approval
- Mission Critical Status
- Delinquency
- Roads to Delinquency
- Effects of Delinquency
- Reduced Payment Plan
- Salary Offset
- Reinstatement Policy
- Consequences of Account Charge Off
- Additional Resources

## IBA Credit Thresholds & Approval

- Restricted accounts - increase up to 6 months
- Standard accounts - increase up to 12 months
  - ❑ Best practice - increase for only 6 months at a time
- Credit limit amounts reflect the total authorized charge limit of the Travel Card
  - ❑ Increasing ATM and/or Retail limits does not automatically increase the total credit line

Let's take a look at IBA credit thresholds and approvals

Restricted accounts can be increased up to six months.

Standard accounts can be increased up to 12 months.

However, best practice is to increase a standard account for only 6 months at a time to ensure all vouchers are processed in a timely manner. CCPMD will only increase an account for 6 months to verify voucher completion and the payments are made in a timely manner. We recommend that you do the same.

Credit limit amounts reflect the total authorized charge limit of the Travel Card.

When an ATM and/or retail limits is increased it does not automatically increase the total credit line on the account. Therefore, the cash limit increase can never be more than the credit limit.

## IBA Credit Thresholds & Approval

- Restricted accounts - increase up to 6 months
- Standard accounts - increase up to 12 months
  - ❑ Best practice - increase for only 6 months at a time
- Credit limit amounts reflect the total authorized charge limit of the Travel Card
  - ❑ Increasing ATM and/or Retail limits does not automatically increase the total credit line
- Request a credit limit increase you need to provide
  - ❑ CH name, requested amount, beginning and end date for increase, justification, and sometimes orders
  - ❑ Do **NOT** include expiration dates, SSNs, full account numbers, or any other PII

You will need to provide specific information when requesting a credit limit increase.

The Cardholder name, the amount of the increase, the beginning and end date for increase, provide a justification as to why the increase is needed.

Do NOT include expiration dates, social security numbers, full account numbers, or any other Personally Identifiable Information

## IBA Credit Thresholds & Approval

### IBA Credit Thresholds & Approval Chart




STANDARD	Default (Total)	APC (HL 4-7 Approval (Total))	APC (HL3 Approval (Total))	CPM (HL2) Approval (Total)	DTMO (HL1) Approval (Total)
Credit	\$7,500	Up to \$10,000	Up to \$15,000	Up to \$25,000	No Maximum
Travel	\$7,500	Up to \$10,000	Up to \$15,000	Up to \$25,000	No Maximum
Cash	\$665	Up to \$5,015	Up to \$10,015	Up to \$25,015	No Maximum
Retail	\$250	Up to \$500	Up to \$1,000	Up to \$2,000	No Maximum
RESTRICTED	Default (Total)	APC (HL 4-7 Approval (Total))	APC (HL3 Approval (Total))	CPM (HL2) Approval (Total)	DTMO (HL1) Approval (Total)
Credit	\$4,000	Up to \$10,000	Up to \$15,000	Up to \$25,000	No Maximum
Travel	\$4,000	Up to \$10,000	Up to \$15,000	Up to \$25,000	No Maximum
Cash	\$365	Up to \$5,015	Up to \$10,015	Up to \$25,015	No Maximum
Retail	\$100	Up to \$500	Up to \$1,000	Up to \$2,000	No Maximum

This chart shows the Credit Thresholds and Approval Levels for both Standard and Restricted Cards.

The default column indicated the default Credit threshold for the cards.

## IBA Credit Thresholds & Approval

### IBA Credit Thresholds & Approval Chart



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The next 3<sup>rd</sup> column indicates that a HL4, HL5, HL6, or HL7 have the authority to approve a credit line increase up to \$10,000.

An HL3 APC can approve a total credit line increase up to \$15,000

And an HL2 APC can approve a credit line increase up to \$25,000

## IBA Credit Thresholds & Approval

### IBA Credit Thresholds & Approval Chart



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And finally at Hierarchy Level 1, the Defense Travel Management Office can approval a credit line increase with no maximum.

Remember, Credit line increases must be justified and the increase has a beginning and end date.

## Mission Critical Status

- Request before account is 60 days past due
- Accounts don't receive late fees
- Cardholder has 45 days to settle account
- Mission Critical period not to exceed 120 days



The request for Mission Critical status must be made after 30 days past due but before the account is 60 days past due.

Only the HL3 or HL2 APC can place a Cardholder account in Mission Critical Status.

Mission critical travel is defined as travel performed by DoD personnel (military or civilian) under official orders that prevents the traveler from filing interim travel vouchers or from scheduling partial payments to pay for charges to the travel card.

The Cardholder has 45 days to settle the account once off Mission Critical status.

The Mission Critical period cannot exceed 120 days.

## Delinquency

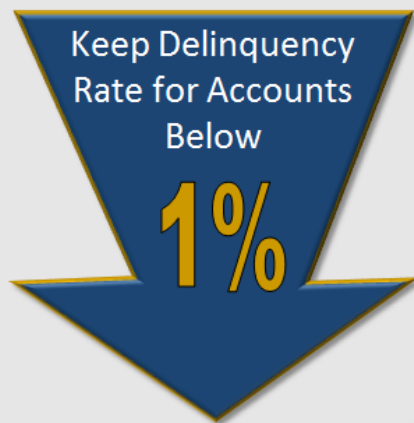
- Accounts are delinquent if not paid **IN FULL** within 60 days of the statement closing date

When is an account considered delinquent?

Although, accounts are past due at day 30 and should be worked at this time, a Travel Card account is delinquent when the outstanding balance is not paid in full, 60 days from the statement closing date.

## Delinquency

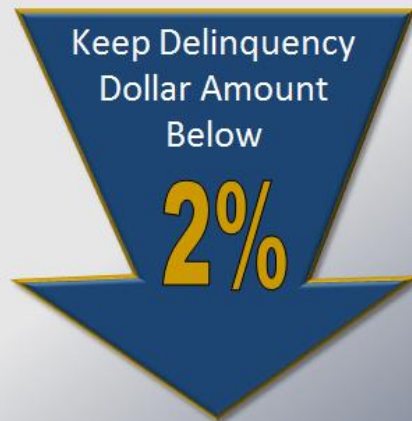
- Accounts are delinquent if not paid **IN FULL** within 60 days of the statement closing date



All commands are required to keep their delinquency rate for the total number of accounts they oversee below 1%.

## Delinquency

- Accounts are delinquent if not paid **IN FULL** within 60 days of the statement closing date



And commands are required to keep their delinquency rate for dollars below 2%.

## Roads to Delinquency

- Cash withdrawals or Card usage for **Unofficial Travel Expenses**
- Failure to submit their travel voucher within the allotted time frame
  - ❑ Five working days
  - ❑ Every 30 days for long-term travel
- Failure to set up partial payments for long term TDY in DTS
- Improper set up of Split Disbursement for Travel Card expenses

Common delinquency causes are:

Withdrawing cash or using the card for unofficial travel expenses,

Failure to submit your travel voucher in 5 working days or every 30 days for long-term travel using manual orders,

Failure to set up partial payments for long term TDY in TS, Long term travel is 45 days or more

Improper set up of Split Disbursement for ALL Travel Card expenses.

## Roads to Delinquency

- Cash withdrawals or Card usage for **Unofficial Travel Expenses**
- Failure to submit their travel voucher within the allotted time frame
  - ❑ Five working days
  - ❑ Every 30 days for long-term travel
- Failure to set up partial payments for long term TDY in DTS
- Improper set up of Split Disbursement for Travel Card expenses
- Failure to run mandatory reports listed in the IBA Desk guide

And Failure to run mandatory reports listed in the IBA Desk guide.

As a best practice, Cardholder's shouldn't spend more than their Meal and Incidental Expenses.

However, in the event that a Cardholder does spend more than their Meal and Incidental Expenses they **MUST** pay their balance in full with the bank.

They can pay their invoice online at Citidirect, via the Citidirect mobile site, by telephone, or by mailing a check.

Pay attention to your Cardholders who use cash, they have a higher tendency to become delinquent.

The Travel Card should be used to the greatest extent possible and cash withdraws should be limited.

## Effects of Delinquency

- Counseling (i.e., Financial or Supervisor)
- Oral And/or Written Reprimand
- Reduced Payment Plan (RPP)
- Salary Offset



Disciplinary actions for delinquency are based on command policy and vary from command to command.

Consequences for delinquency may include counseling, oral or written reprimand, Reduced Payment Plan (RPP), and Salary Offset.

## Reduced Payment Plan

- Written agreement between Cardholder and the Bank
- Installment payments on delinquent balance
- Option to avoid Salary Offset
- Travel Card account suspended/deactivated



A Reduced payment plan is a Plan offered by Citi at a non-reimbursable cost to the delinquent Cardholder that allows for payment of an outstanding balance over an agreed upon, defined time period.

The Purpose is to provide delinquent Cardholders an alternative to Salary Offset. The Cardholder must enter into a written agreement with Citi and must agree to make scheduled payments against the delinquent balance.

The Cardholder must be between 90 and 120 days past due and not be in salary offset.

- Payment terms are outlined in the Due Process letter
- The Cardholder must fax the payment plan agreement back to the bank within 30 days
- If the Cardholder defaults on the agreement for any reason, the account will immediately be submitted for Salary Offset

See the IBA desk guide for additional information.

## Salary Offset

- 90 days delinquent
  - ❑ Notification letter
- 120 days delinquent
  - ❑ Salary Offset takes effect
  - ❑ Travel Card cancelled
- Up to 15% disposable income used to pay account
- Fees
  - ❑ \$80 set-up
  - ❑ Three \$29 late payment fees (Non-reimbursable)
- Description line for amount withheld is added to Leave and Earning Statement (LES)

If a Travel Card account is 90 days delinquent, the Bank sends a Due Process Notification Letter.

If the account is not paid in full, or payment arrangements are not made within 30 days of the date of the letter, Salary Offset goes into effect.

Salary Offset is an option that allows the Bank to automatically collect payment on accounts delinquent for more than 120 days.

The Travel Card is cancelled when Salary Offset takes effect.

Up to 15% of the Cardholder's disposable monthly income may be used to pay the delinquent account.

Additionally, the Cardholder will incur \$80 worth of set-up fees, plus 3 late payment fees of \$29 each. These fees are non-reimbursable.

A description line will be added to the Leave and Earnings Statement (LES) showing the Cardholder the amount taken from each pay.

## Reinstatement Policy

- Definition
  - ❑ When the principal amount and late fee on a cancelled IBA are paid in full and the account is eligible to be re-established
- Purpose
  - ❑ Allows previously closed accounts to be reinstated as **Restricted Account**
- \$29 reinstatement fee
  - ❑ Not reimbursable



When the Cardholder pays the principal amount and late fees in full on a cancelled Travel Card account, the account is eligible to be re-established.

The DOD Reinstatement Policy allows the account to be reinstated as a Restricted Account. If reinstated account cancels due to delinquency, a second reinstatement will **NOT** be granted.

If an account is reinstated as an exception, the account must be closely monitored by the APC. In the event the account is suspended, or if one or more Cardholder payments are returned to Citi as NSF for any reason after reinstatement, the account will immediately be closed and will not be eligible for future reinstatement.

There is a non-reimbursable \$29 dollar fee.

After reinstatement a Cardholder may apply for an upgrade to a Standard Account, provided they meet criteria defined under Account Upgrade guidelines.

## Account Charge-Off

### Consequences of an Account Charge-Off

- Occurs at 210 days past due
- Reported to credit bureaus
- Referred to collection agencies
- Subject to late fees
- Cannot be reinstated
- Impact personal credit rating

**Past Due**  
Unpaid  
Bills  
**Final  
Notice**  
In Collection  
**Bad Credit**

Charge off of the Cardholder's account only occurs after the account reaches 210 days past due.

The APC should ensure that Cardholders understand the consequences of a charged off Travel Card.

Some of the consequences are:

the situation may be reported to credit bureaus

the account could be referred to a collection agency.

It is also subject to late fees and cannot be reinstated if charged off.

In addition, a charged off Travel Card can have an adverse impact on the Cardholder's personal credit rating and represent significant financial costs for the Cardholder.

## Resources

Defense Travel Management Office (DTMO)  
**[www.defensetravel.dod.mil](http://www.defensetravel.dod.mil)**

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Consolidated Card Program Management Division (CCPMD)  
**[https://www.navsup.navy.mil/ccpmd/travel\\_card](https://www.navsup.navy.mil/ccpmd/travel_card)**

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Individually Billed Accounts (IBA) Desk Guide  
**[https://www.navsup.navy.mil/ccpmd/travel\\_card/desk\\_guides](https://www.navsup.navy.mil/ccpmd/travel_card/desk_guides)**

There are multiple sources available provide further guidance for use of your Government Travel Charge Card

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## Resources

Government Travel Charge Card Regulations

DoDI 5154.31, Volume 4

**[https://www.navsup.navy.mil/ccpmd/travel\\_card/policies](https://www.navsup.navy.mil/ccpmd/travel_card/policies)**

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Citibank - Department of Defense Travel Card Homepage

(800) 200-7056

**[www.citimanager.com/DoDHome](http://www.citimanager.com/DoDHome)**

Additional resources

Government Travel Charge Card Regulations

DoDI 5154.31, Volume 4

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## Objective Review

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- Mission Critical Status
- Delinquency
- Roads to Delinquency
- Effects of Delinquency
- Reduced Payment Plan
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Let's review what we covered in Module 3.

- IBA Credit Thresholds & Approval
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Return to the **“Registration Instructions”**  
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for directions to Register & Print your Certificate



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Congratulations you have completed the DON Government Travel Charge Card Agency Program Coordinator Certification Course!

To register your course completion and print your certificate

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